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State Dept. Plan Urged Libya Coup

Reagan Policy Vetoed Efforts to Encourage Gadhafi Assassination

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A State Department working paper used last August in drawing up the Reagan administration's plan of deception and disinformation against Libyan leader Moammar Gadhafi advocated a strategy that could lead to "a coup or assassination attempt" against Gadhafi by his own military or other opponents.

The memo, circulated by the State Department on Aug. 6 in advance of a White House meeting of officials at the assistant secretary level, stated, "The goal of our near-term strategy should be to continue Gadhafi's paranoia so that he remains preoccupied, off-balance . . . [and] believes that the army and other elements in Libya are plotting against him—possibly with Soviet help. Believing that, he may increase the pressure on the [Libyan] army, which in turn may prompt a coup or assassination attempt."

The final directive approved by President Reagan in mid-August did not mention assassination. Instead, it ordered covert, diplomatic and economic steps designed to deter Libyan-sponsored terrorism and bring about a change of leadership in Libya.

Administration officials have said explicitly that the overall administration policy does not directly seek assassination of Gadhafi, although some officials acknowledge that that could be one outcome. A 1981 executive order signed by Reagan directs that "no person employed by or acting on behalf of the United States government shall engage in, or conspire to engage in, assassination."

An administration official yesterday issued the following White House response: "The document in question is a working paper with no standing as administration policy. Moreover, any inference in the document that a policy option was ever considered to promote the assassination of Gadhafi is wrong. Support for assassination in any form has never been and is not now a part of administration policy."

The statement added, "Advocating change in a governmental regime is not the same as advocating assassination. To associate the two is irresponsible."

Several senior administration officials privately criticized the ambiguity of overall policy toward Gadhafi, which they see as aimed at removing him without directly employing necessary or likely means for doing so. "They want him out but not the dirty hands," said one ranking administration official.

Similarly, some sources said administration officials failed to realize that spreading disinformation to deceive Gadhafi would also mislead the American news media and public. They also said that the policy of deception and disinformation grew out of an overreaction by administration officials to a new intelligence report on Gadhafi's state of mind.

The intelligence report, delivered in July to Secretary of State George P. Shultz and Central Intelligence Agency Director William J. Casey, said Gadhafi had acted so bizarrely in a meeting with Yemeni officials that he seemed to be going out of control and might be on the verge of a nervous breakdown. Some administration officials saw in this an opportunity to increase psychological pressure on Gadhafi, whom they were determined to oust if they could.

Subsequent, more reliable intelligence indicated that the initial report was exaggerated. Gadhafi actually sat through the meeting with the Yemenis in silence, apparently sulking in a corner, according to sources. Such behavior is not unusual for the mercurial Libyan leader, according to government specialists, but by the time the Gadhafi behavior was understood, a crucial interagency review was under way.

Keenly attentive to Gadhafi's every step, fearing a resurgence of his terrorist plots and wishing to capitalize on the deterrent value of the April 14 U.S. bombing raid on Libya, the administration seized on the original report of the Libyan's instability and went into high gear.

The State and Defense departments, the CIA and the White House began to consider what steps might be taken to keep up the pressure on Gadhafi and jar him psychologically as part of another phase of the yearlong effort to covertly undermine his regime.

Although there was other evidence that Gadhafi was in a depression after the U.S. raid, sources cite the administration's tendency to jump to conclusions from tentative or single intelligence reports as indicative of the handling of Libyan intelligence information.

"It's no longer rational," said one intelligence official. "The use and sifting of [intelligence reports] does not have the clear-headed, dispassionate eye that is required."

But Casey, for one, wanted more action and more results, according to sources.

Richard Kerr, the CIA's new deputy director for intelligence analysis, and Thomas Tweeten, the senior operations official for the Near East and Asia, went to work, according to sources. Escalation of the psychological war against Gadhafi was proposed.

The 17th anniversary of Gadhafi's revolution was coming up on Sept. 1. He was supposed to make a speech to mark the occasion, an important symbolic event. U.S. officials speculated on the possibility of frightening him into not appearing. There was reliable intelligence that he had moved Libyan military headquarters from the coast inland nearly 500 miles to Kufrah. He was obviously fearful, officials concluded, and wanted the headquarters to be less accessible to U.S. carrier-based bombers.

Inside the intelligence community and within the State Department and the White House, the debate began. Could Gadhafi be caused to lose confidence in himself? If he could be kept in hiding for the anniversary, what impact would it have on the Libyan people? Or on the Libyan military that is supposed to be restive and unhappy with their leader?

The officials involved in these discussions knew that Casey Shultz and other top officials were frustrated that the CIA effort to undermine and overthrow Gadhafi had not succeeded. "We had a policy that was working well, deterring terrorism, but [senior administration officials] wanted to go further and change the regime," said one source.

A seven-page memo dated Aug. 6 from the State Department's office of intelligence and research was distributed to senior middle-level officials in preparation for an upcoming interagency meeting. It was this memo that proposed the "real and illusory events" and speculated that enough pressure on Gadhafi might prompt him to so press his own military and other Libyan elements that they could attempt to assassinate him.

One recipient of the memo was Lt. Gen. John H. Moellering, assistant to the chairman of the Joints Chiefs of Staff, according to sources. They said that Moellering expressed dismay within the Pentagon and to Adm. William J. Crowe Jr., chairman of the Joint Chiefs, that the administration might be embarking on a dangerous course. He argued that such a plan could be the equivalent of waving a red flag in front of the unstable Libyan leader.

He and others also expressed concern that U.S. officials were discussing actions designed to prompt an "assassination" despite what they took to be a ban on U.S. government participation in such plots.

On Aug. 7 at 4:30 p.m., the Crisis Pre-Planning Group (CPPG) met at the White House situation room. There senior representatives from the CIA, the State Department and White House endorsed the overall plan outlined in the State Department memo and other planning documents.

Vincent M. Cannistraro, a veteran CIA operations officer and director of intelligence on the National Security Council staff, and Howard R. Teicher, the director of the office of political military affairs in the NSC, supported the disinformation and deception plan, the sources said.

Informed sources said that they understood that White House na-

tional security affairs adviser John M. Poindexter approved the general principles and approaches of the State Department memo, but the reference to prompting an "assassination attempt" was removed.

A meeting with the president to consider the next steps on Libya was scheduled for Aug. 14. This was the National Security Planning Group (NSPG), the Cabinet-level discussion involving Reagan and his top advisers.

Before the meeting, Poindexter sent the president a three-page memo outlining the next steps and saying that a key element of the strategy was to combine "real and illusionary events—through a disinformation program—with the basic goal of making Gadhafi think that there is a high degree of internal opposition to him within Libya, that his key trusted aides are disloyal, that the U.S. is about to move against him militarily."

This section of Poindexter's memo reflected the Aug. 6 State Department proposal for "a sequenced chain of real and illusory events"

Sources said Reagan approved the overall plan and that it was made formal in a National Security Decision Document he signed. That document does not mention assassination, and the only deception was to be directed abroad and at Gadhafi.

Poindexter's aide Teicher was, according to sources, the only non-Cabinet-level official at the Aug. 14 NSPG meeting. He was the notetaker for the one-hour session.

White House officials said that Teicher was one of the officials who spoke with The Wall Street Journal before its Aug. 25 story that said "the U.S. and Libya are on a collision course again," and painted a picture of impending U.S. military action in response to Gadhafi's alleged renewal of terrorist plots.

Teicher has said he spoke with one author of the Journal story before its publication but that he did not leak anything and the author already had all the details.

The White House has taken the position that the Journal article was "generally correct" but that the information was not authorized for release. One White House official said recently that information pro-

vided the Journal was part of a "Lone Ranger operation" by one or more officials but not Teicher.

After The Washington Post disclosed details of the administration's deception campaign against Gadhafi last week, administration officials disputed the suggestion—contained in Poindexter's August memo to Reagan—that Gadhafi was "quiescent" on the terrorist front at the time the campaign against him was being planned.

The most recent administration position on whether Gadhafi was stepping up terrorist plans last summer was provided Thursday by a senior administration official who said that in July the intelligence was tentative—"it didn't say that he [Gadhafi] was going to go off and bomb something or go off and take somebody hostage or hijack an airplane. It wasn't that kind of hard intelligence, but there were little pieces that indicated he was beginning to move."

Intelligence experts said the U.S. intelligence agencies and the White House were on the lookout for anything on Gadhafi. Said one well-placed expert, "The intelligence machinery was cocked, a hair-trigger Five Libyans arriving in Paris with five suitcases became an intelligence report."

"It just wasn't hard," said this expert, who has firsthand knowledge of the reports. "Poindexter would not have said 'quiescent' to the president if that was not the case At the same time there was indication that the Libyan infrastructure was being reassembled" after so many Libyan diplomats allegedly involved in terrorism were expelled from European capitals.

He added, "The administration and the intelligence agencies are paranoid about Gadhafi and for good reason."

He said some members of the administration are not skilled at interpreting raw intelligence, saying it is an art form and that many officials are inclined to overstate the Libyan problem.

At the same time, sources said the administration had dozens of reports showing meetings and travel by Libyans that were deemed suspicious.

A senior administration official said the increased number of intelligence reports hinting at terrorist activity in part reflects a vastly improved intelligence collection system and the high priority assigned to reports of possible terrorist incidents, especially involving Libya, a known and proven sponsor of terrorist plots.

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He said, there are "lots of 'heads up' reports and that does not necessarily mean there is renewed activity We are just better and more attentive Also, our ability to disseminate it is better."

One former head of a U.S. intelligence agency said it is his understanding that the intelligence on Libya and Libyan activities is not of a very high quality and attributes the disagreements to the weakness of the information. He added, "When the intelligence is good and incontrovertible, there is agreement. You get disagreements when no one has enough good information."

Reagan and other administration officials on Thursday denied any intent to have the disinformation appear in the U.S. news media. At the same time, they acknowledged that there was a plan to deceive Gadhafi.

Whether the White House deliberately attempted to spread disinformation, or whether one aide without authorization passed on the disinformation to U.S. news media, officials said that a simple fact was overlooked: It is impossible to have a high-level, high-visibility effort of deception aimed abroad without some or all of the information appearing in the U.S. media.

A former CIA officer said that the agency normally undertakes small, low-level disinformation campaigns in a few countries or a single country. But in the current anti-Gadhafi plan, the former officer said, "the fire of disinformation was supposed to sweep across the Middle East and Europe . . . and no one was supposed to notice? They were kidding themselves."

The recirculation back into the U.S. news media of disinformation planted abroad by the CIA is often referred to as "blowback." But one source familiar with the administration strategy said that what happened in the latest Gadhafi ploy was "blow-front" because the launch of the idea, intentional or not, was in the U.S. media.

Staff researcher Barbara Feinman contributed to this report.

HOW PROGRAM ON LIBYA DEVELOPED

- **April 14:** U.S. bombing raid on Libya.
- **July:** New intelligence report questioning the mental stability of Libyan leader Moammar Gadhafi triggers interagency review of U.S.-Libyan policy.
- **Aug. 6:** State Department group circulates to interagency group a memo proposing a disinformation and deception campaign and suggesting such a campaign could trigger an assassination attempt on Gadhafi by his military or other opponents.
- **Aug. 7:** Crisis Pre-Planning Group of officials from State, Central Intelligence Agency, Defense Department and White House meet at White House to endorse overall plan outlined in original State Department memo.
- **Aug. 12:** Reagan gets three-page memo from Adm. John M. Poindexter, his national security affairs adviser, summarizing a proposed program of disinformation against Libya.
- **Aug. 14:** Reagan meets with Cabinet-level National Security Planning Group and approves the program as outlined by Poindexter.
- **Aug. 25:** The Wall Street Journal reports that the United States and Libya are on a "collision course" and that U.S. military action against Libya is impending.
- **Aug. 26:** White House spokesman Larry Speakes describes the Journal report as "authoritative" and major television networks and newspapers report stories similar to the Journal account.